

WASHINGTON (July 22) – Congressman Spencer Bachus (AL-6), Ranking Member on the House Financial Services Committee, today said, “The staggering amount of money we are spending on government programs is jeopardizing both our short and long-term economic future.”

Bachus made his comments during a committee hearing with Federal Reserve Chairman Ben Bernanke on the state of the economy. Bachus pointed out the failure of the Democratic leadership in Congress to rein in spending.

Referring to testimony given to the committee in February by Chairman Bernanke, Bachus said, “You said it would become increasingly difficult if we postponed that (debt reduction) because the cuts you would need to make would be even sharper and the tax increases would be even greater. I would like to note for the record that we have done absolutely nothing in that regard, and I think you would agree.”

“Yes,” replied Chairman Bernanke.

Congressman Bachus’s opening statement follows. To view the statement, [click here](#). To view Bachus’ questioning of Chairman Bernanke, [click here](#).

Thank you, Chairman Bernanke, for joining us this morning to provide the Committee with your semi-annual report on monetary policy and the state of the economy, which, as you know, is the top issue that our country faces right now.□□

“Today’s hearing comes a day after the signing of the most far-reaching restructuring of America’s financial system in nearly a century, but it also comes at a precarious time for the American people.□ The economic recovery is anemic at best.□ Recent data from private economists and the Fed shows we face an extended period of weak recovery if we’re lucky, but may have to contend with the much worse prospect of a “double-dip” recession.□ The spendthrift anti-business and anti-job economic policies of this

Administration and the Democrat-controlled Congress have not delivered on the extravagant promises we heard when President Obama signed the stimulus bill. And the staggering amount of money we are spending on government programs is jeopardizing both our short and long-term economic future.

“Rather than growth, we have unacceptably high unemployment that is likely to rise further as the census winds down. Rather than an export-led recovery, we have a trade gap that is at its highest level since November 2008. Rather than a housing recovery, we had a brief, tax-incentivized rise in sales that has stalled, and recently brought us the 16th month in a row of foreclosure filings that total more than 300,000 monthly. Rather than the healthy economy the Obama-Pelosi-Reid government has promised us, we have a fiscal outlook that is downright alarming. Rather than Ronald Reagan’s shining city on a hill, we are in a debt ditch and likely to have a national debt nearly as bad as that facing Greece before a child born today even gets out of elementary school. Rather than economic incentives, businesses small and large are paralyzed by Democrat policies that create even further uncertainty, preventing them from investing and growing and hiring new employees.”

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“The Democrats told the American people that their steroid-enhanced spending would solve our economic problems. They said that if the U.S. spent hundreds of billions of dollars, millions of jobs would be created and businesses would grow. So far, the only real growth we’ve witnessed is in our debt and deficits and in the size of an already bloated Washington bureaucracy. The 2,300-plus page regulatory reform bill that the President signed into law yesterday – mandating hundreds of new Federal regulations and injecting massive new uncertainty into a fragile economy – will only accelerate these damaging trends.”

“If you take the time to listen to the American people, you will learn that joblessness and the national debt are their two biggest concerns. And they simply cannot understand why their elected representatives are spending their time passing new laws like health care reform, cap and trade, and now financial regulatory reform, which not only do nothing to create jobs, but actually will destroy them.”

“And none of us can understand why in an era of historic budget deficits – when Americans are being asked to sacrifice and make difficult economic choices on how to provide for their children’s futures – this Congress is about to go on a six-week summer

vacation without discharging its most fundamental duty: producing a Federal budget that forces the government to live within its means and set spending priorities just like American families have to.

“Chairman Bernanke, you and the Board have difficult decisions ahead. I look forward to working with you as we seek to address these challenges. Thank you for appearing before us today.”

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